

NORTHBROOK, ILL. – U.S. Representative Mark Kirk, New York City Mayor Michael R. Bloomberg and 10th District mayors and law enforcement personnel joined together today to call on Congress to pass bipartisan legislation to close a loophole in the nation's gun background check system. Congressman Kirk introduced legislation (H.R. 6664) to close the "fire sale" loophole that allows gun dealers to sell off their inventory without background checks if their firearm distribution license is revoked.

The measure is one of four common-sense proposals outlined by the Mayors Against Illegal Guns coalition before a hearing of the Congressional Task Force on Illegal Guns, which Rep. Kirk co-chairs. Mayors Against Illegal Guns, co-chaired by Mayor Bloomberg and Boston Mayor Thomas M. Menino, comprises over 320 mayors representing more than 55 million Americans.

Under current law, the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) issues Federal Firearms Licenses (FFLs) to qualifying gun dealers, which are required to conduct background checks on potential buyers. A license may be revoked if a dealer willfully violates the law or engages in criminal activity. But due to the fire sale loophole, after a license is revoked the dealer may legally sell excess inventory as a "private seller" without conducting any background checks. According to ATF data, approximately 100 FFLs were revoked or denied renewal out of the 109,000 active licenses throughout the country in 2007. Since 2000, ATF revoked approximately 890 FFLs.

"If a gun dealer loses his Federal Firearms License, we should be more vigilant about any criminal activity – not ignore a flood of guns on our streets," said Congressman Mark Kirk, co-chair of the Congressional Task Force on Illegal Guns. "We should not give a pass to those who would arm violent gang members and threaten the safety of our communities. In the northern suburbs of Illinois, there are now more than 2,000 documented drug gang members. Through ATF trace data, we clearly see a relationship between these gangs and certain gun shops. By closing the fire sale loophole, we'll prevent those gun dealers who flaunt our laws from arming violent drug gangs that threaten the safety of law enforcement and our communities. I'm honored to have the backing of Mayors Bloomberg and Menino and the Mayors Against Illegal Guns coalition for this vitally important common-sense legislation."

"Pharmacists who lose their licenses can't sell prescription drugs to people without prescriptions, yet gun dealers who lose their licenses can sell off their inventory – without even conducting background checks," said Mayor Bloomberg. "These loopholes are a criminal's best friend, and they are fueling the violence that threatens our neighborhoods and families. The

good news is that fixing the system is easy, all we need is the political courage. Thanks to Representative Kirk, there is now a bill before Congress to fix the fire sale loophole, one of four glaring problems with the background check system identified by our coalition of Mayors Against Illegal Guns.”

One of the most alarming examples of the fire sale loophole occurred in suburban Chicagoland this summer. Ugur “Mike” Yildiz of Park Ridge lost the FFL for Franklin Park-based Chicagoland Bells gun shop in September 2005. After the license revocation, Yildiz transferred ownership of 207 firearms into his name.

Since June 2006, Canadian law enforcement traced 25 weapons registered to Mr. Yildiz, many discovered in the execution of search warrants in connection with drug and violent crime investigations. Fifteen guns registered to Yildiz also were found in a dumpster in the Detroit area. The U.S. Attorney charged Yildiz in June with violations of the Arms Export Control Act for illegally transporting weapons to Ontario. Under current law, it is illegal to export weapons internationally without a license from the State Department but completely legal to sell guns domestically without criminal background checks under the fire sale exemption.

A similar situation occurred at Valley Gun Shop in Parkville, Md. Valley Gun was linked to 483 crime gun traces from 1996 and 2000, and had more than 900 violations of federal gun laws filed against it. The dealer also could not account for hundreds of missing assault weapons, pistols and shotguns. As a result, the ATF revoked Valley Gun’s FFL in 2005. However, due to the fire sale loophole ATF told the dealer he could legally offer for sale the remaining inventory of more than 700 guns – all without criminal background checks. He was later convicted of illegally selling an assault rifle to a man whose criminal record should have prevented him from buying it.

Joining Congressman Kirk and Mayor Bloomberg were:

10th District Mayors

„X Palatine Mayor Rita Mullins (Mayors Against Illegal Guns Member)

„X Wilmette Village President Chris Canning

„X Lincolnshire Village President Brett Blomberg

„X Highland Park Mayor Michael Belsky

„X Northbrook Village President Gene Marks

Law Enforcement

„X Lake County Sheriff Mark Curran
„X Northbrook Police Chief Charles Wernick
„X Lincolnshire Police Chief Randy Melvin
„X Highland Park Police Chief Paul Shafer
„X Waukegan Deputy Police Chief Artis Yancey

Other attendees included Steven A. Jansen, Director, National Center for Community Prosecution, National District Attorney’s Association; Illinois Council Against Handgun Violence Executive Director Thom Mannard; Legal Director for the Legal Community Against Violence Nina Vinik and Illinois Campaign to Prevent Gun Violence Statewide Field Director Mark Walsh.

The three other recommendations of Mayors Against Illegal Guns include:

fP Closing the “gun-show loophole,” which allows criminals to avoid background checks at gun shows by purchasing guns from unlicensed sellers (HR 96);

fP Closing the “Terror Gap” to prevent individuals on terror watch lists from purchasing firearms (HR 2074 and S 1237);

fP Conducting background checks on all employees at gun retailers that handle firearms (H.R. 6676).

More information on the coalition is available at <http://mayorsagainstillegalguns.org/html/home/home.shtml>

. The full bill text is below.

H. R. 6664

IN THE HOUSE OF REPRESENTATIVES

A BILL

To amend chapter 44 of title 18, United States Code, to impose limitations on the transfer of firearms by a person who has received official notice of the revocation of the Federal firearms dealer license of the person, or of the denial of the application of the person to renew such a license.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LIMITATIONS ON TRANSFER OF FIREARMS BY PERSON WHO HAS RECEIVED OFFICIAL NOTICE OF THE REVOCATION OF THE FEDERAL FIREARMS DEALER LICENSE OF THE PERSON, OR OF THE DENIAL OF THE APPLICATION OF THE PERSON TO RENEW SUCH A LICENSE.

(a) IN GENERAL.—

(1) LIMITATION.—Section 922 of title 18, United States Code, is amended by adding at the end the following:

“(aa)(1)(A) It shall be unlawful for a person who has been notified by the Attorney General that the license issued to the person under this chapter to deal in firearms has been revoked, or that the application of the person to renew such a license has been denied, to transfer a firearm from the business inventory of the person into a personal collection of—

“(i) the person;

“(ii) an individual described in section 923(d)(1)(B) with respect to the person; or “(iii) an employee of the person.

“(B) It shall be unlawful for a person, individual, or employee referred to in subparagraph (A) to transfer, on and after the effective date of the revocation or denial (as the case may be) referred to in subparagraph (A), a fire-arm that had been in the business inventory of the person referred to in subparagraph (A), except to a person licensed under this chapter.

“(2) Paragraph (1) shall not apply with respect to a license revocation or denial determination which has been reversed.”.

(2) CONFORMING AMENDMENT.—Section 923(c) of such title is amended in the 2nd sentence by inserting “section 922(aa) and to” after “subject only to”.

(b) INCLUSION IN LICENSE REVOCATION NOTICE OF PROVISIONS OF LAW PROHIBITING DEALING IN FIREARMS WITHOUT A FEDERAL FIREARMS LICENSE AND LIMITING TRANSFER OF FIREARMS BY PERSON WHO HAS RECEIVED OFFICIAL NOTICE OF THE REVOCATION OF THE FEDERAL FIREARMS DEALER LICENSE OF THE PERSON.—Section 923(f)(1) of such title is amended in the last sentence by inserting “, and shall set forth the provisions of Federal law and regulation which prohibit a person not licensed under this chapter from engaging in the business of dealing in firearms or are relevant in determining whether a person is doing so, and the provisions of section 922(aa)” before the period.